

*New York State Department of Health*  
*Office of Managed Care, Bureau of Quality Management and Outcomes Research*  
***Pay for Performance Demonstration Projects***

## **Request for Applications Amendment**

**Application Due Date:** The application due date for Pay for Performance Demonstration Projects has been extended to 5:00 PM, August 17, 2006.

**Section V.C.4) of the RFA is amended in it's entirety as follows:**

**4) Budget (25 points)**

The submitted budget will be evaluated to confirm that:

- a) The budget is appropriate to the work plan and staff assignments.
- b) The budget will enable the applicants to implement the program and meet deliverables.
- c) Forecasting of monies to be spent on incentives is clearly explained and reasonable.
- d) Matching of grant funds is feasible.

The state will review the soundness of the proposed budget and reserves the right to remove unreasonable expenses. This will be done before the financial score is calculated.

A new section V.C.5) is added to the RFA as follows:

**5) Scoring**

**Technical Score:** The total technical score for each application will be weighted according to the following formula:  $\text{Technical score} = (a/b) * 75$  where: a is the total non-weighted technical score for the application being scored and b is the highest non-weighted technical score among applications.

**Financial Score:** The financial score will be computed using a formula based on the cost per member served by the demonstration project. The cost per member will be computed by dividing total funds requested from the state by the total number of members served by the demonstration project. Applicants must complete and include the following table in the financial section of their application. Under the payer column list all payers that will be part of the demonstration project. Under each product line, enter, by payer, the total number of members to be served by the demonstration project in that product line. Total each row and column. If the demonstration project intends to work with a subset of each payer's network, the applicant must include only the members that would be covered by the demonstration.

<b><u>Payer</u></b>	<b><u>Government Programs (CHP, FHP, Medicaid)</u></b>	<b><u>Commercial</u></b>	<b><u>Medicare</u></b>	<b><u>Other</u></b>	<b><u>Total</u></b>
<b>Total</b>					

The financial score will be calculated according to the following formula:  $(a/b)25 = \text{score}$ , where a is the cost per member served for the application with the lowest per member cost, and b is the cost per member served for the application being scored.

The weighted technical score and the financial score for each application will be added to produce a total score. All applications will be rank ordered based on the total score. From the rank order listing, awards will be made from the highest scoring applications to the next scoring application until such time funding is exhausted or five awards are made.

If additional funding becomes available for this initiative, additional monies will be awarded in the same manner as outlined in the award process described above.

Following the awarding of grants from this RFA, applicants may request a debriefing from the NYSDOH Office of Managed Care, Bureau of Quality Management and Outcomes Research. This debriefing will be limited to the positive and negative aspects of the subject application only.